## <u>REMARKS</u>

Initially, in the Office Action dated August 26, 2004, the Examiner rejects claims 3-6 under 35 U.S.C. §112, second paragraph. Claims 1-3 and 5-10 have been rejected under 35 U.S.C. §102(a) as being anticipated by International Publication No. WO 99/57623 (Zhao). Claim 4 has been rejected under 35 U.S.C. §103(a) as being unpatentable over Zhao.

By the present response, Applicants have canceled claims 1-10. Applicants have submitted new claims 11-18 for consideration by the Examiner and submit that these claims do not contain any prohibited new matter. Claims 11-18 remain pending in the present application.

## 35 U.S.C. §112 Rejections

Claims 3-6 have been rejected under 35 U.S.C. §112, second paragraph.

Applicants have canceled these claims therefore rendering these rejections moot.

35 U.S.C. §102 Rejections

Claims 1-3 and 5-10 have been rejected under 35 U.S.C. §102(a) as being anticipated by Zhao. Applicants have canceled these claims therefore rendering these rejections moot.

## 35 U.S.C. §103 Rejections

Claim 4 has been rejected under 35 U.S.C. §103(a) as being unpatentable over Zhao. Applicants have canceled this claim therefore rendering this rejection moot.

## New Claims

Applicants have submitted new claims 11-18 for consideration by the Examiner and submit that these claims do not contain any prohibited new matter and are patentable over the cited reference.

Zhao discloses techniques for protecting the security of digital representations, and of analog forms made from them. The techniques include authentication techniques that can authenticate both a digital representation and an analog form produced from the digital representation, an active watermark that contains program code that may be executed when the watermark is read, and a watermark agent that reads watermarks and sends messages with information concerning the digital representations that contain the watermarks. The authentication techniques use semantic information to produce authentication information. Both the semantic information and the authentication information survive when an analog form is produced from the digital representation.

Regarding claim 11, Applicants submit that Zhao does not disclose, suggest or render obvious the limitations in the combination of this claim of, inter alia, receiving the mark image that embeds the digital watermark information, the digital watermark information containing both the action definition information and the reference data different from one mark image to another, the reference data including use conditions of the mark, or authenticating the use conditions in the digital watermark information by executing the action definition to see if the use conditions are satisfactory, or displaying the mark image on a display unit in

accordance with the authentication result by executing the action definition, or displaying information relative to the mark image on the display unit by executing the action definition, when the display mark image is pointed at.

According to the present invention, in relation with a mark image attached to a document, a displayed information that is relevant to the mark is changeable from one mark image to another. In contrast, Zhao relates to a digital representation maintaining its genuineness even when the digital representation is output in analog form. Zhao is directed to an object completely different from that recited in the claims of the present application. Zhao does not disclose or suggest digital watermark information embedded in a mark image that contains action definition information and referenced data different from one mark image to another, as recited in the claims of the present application. Moreover, Zhao does not disclose or suggest the referenced data including use conditions of the mark. Further, Zhao does not disclose or suggest authenticating the use conditions in the digital watermark information by executing the action definition to see if the use conditions are satisfactory, or displaying the mark image in accordance with the authentication result by executing the action definition. In contrast, Zhao relates to a document in analog form being an analog version of the digital document. This is not a mark image as recited in the claims of the present application. The mark image as recited in the claims of the present application is not an analog version of a digital text. Moreover, Zhao discloses digital watermark information including both access information and program code. Zhao's digital watermark information is embedded in

a digital representation (see Fig. 6) not in an image. In contrast, the limitations in the claims of the present application relate to <u>digital watermark information being</u>

<u>embedded in a mark image</u>. Zhao does not disclose or suggest this limitation in the claims of the present application.

Further, the access information included in Zhao's digital watermark information consists of an IP address and a period of time (see page 19, lines 19-25). However, the access information is used for access control of the digital representation (see page 21, lines 26-29). Therefore, Zhao's access information is not the use conditions of the mark, as recited in the claims of the present application.

Regarding claims 12-18, Applicants submit that these claims are dependent on independent claim 1 and, therefore, are patentable at least for the same reasons noted previously regarding this independent claim. For example, Applicants submit that Zhao does not disclose or suggest where the displaying a mark image displays a display meaning that the mark image is being invalidly used on the display unit when the use conditions are judged to be satisfactory, or where the displaying a mark image displays a display meaning that the mark image is being invalidly used on the display unit when the use conditions are judged to be unsatisfactory, further informing a mark authentication server of an occurrence of the invalid mark use.

Accordingly, Applicants submit that Zhao does not disclose, suggest or render obvious the limitations in the combination of each of new claims 11-18 of the present application. Applicants respectfully request that these claims be entered and allowed.

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In view of the foregoing amendments and remarks, Applicants submit that claims 11-18 are now in condition for allowance. Early allowance of such claims is respectfully requested.

To the extent necessary, Applicants petition for an extension of time under 37 CFR 1.136. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, or credit any overpayment of fees, to the deposit account of Mattingly, Stanger & Malur, P.C., Deposit Account No. 50-1417 (referencing attorney docket no. 520.39587X00).

Respectfully submitted,

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